

September 22, 2016

MAINE PUBLIC UTILITIES COMMISSION
Community-Based Renewable Energy Projects
Request for Proposals (2015 Issuance)

ORDER APPROVING
CERTIFICATION OF A
COMMUNITY-BASED
RENEWABLE ENERGY
PROJECT

I. SUMMARY

In this Order, the Commission certifies Georges River Energy, LLC's (GRE) 7.5 MW wood-fired biomass cogeneration system (GRE Project) located at the Robbins Lumber sawmill in Searsmont, Maine, as a Community-Based Renewable Energy Project pursuant to the provisions of Chapter 325, section 4(B) of the Commission rules.

II. BACKGROUND

A. Community-Based Renewable Energy Pilot Program

During the 2009 session, the Legislature enacted An Act to Establish the Community-based Renewable Energy Pilot Program (Act), P.L. 2009, ch. 329. Part A of the Act establishes a community-based renewable energy pilot program, to be administered by the Commission, to encourage the sustainable development of community-based renewable energy. 35-A M.R.S.A. § 3602. In summary, the Act provides incentives, on a pilot program basis, for the development of community-based renewable projects. The projects must generate electricity from an eligible renewable resource, which includes fuel cells; tidal power; solar, wind and geothermal installations; hydroelectric generators; generators fueled by landfill gas; and biomass generators whose fuel includes anaerobic digestion of agricultural products, byproducts or wastes. These projects must be "locally owned electricity generating facilities," which means that 51% or more of the facility must be owned by "qualifying local owners." The facilities must not exceed 10 MW and the total installed generating capacity in the pilot program is limited to 50 MW.¹

The implementing rules (Chapter 325, § 4(B)) establish a certification process that allows an owner or developer of a generating project to seek Commission certification through the submission of a petition for certification as a

¹ The Act was amended in 2015 to change "total *installed* generating capacity" to "total *net* generating capacity." (Emphasis added)(See *infra*, p. 2).

community-based renewable energy project. The rules contain the information that must be submitted in a petition for certification, including documentation as to whether the owners are qualifying local owners, documentation of a resolution of support passed by the local municipal legislative body and documentation of control of the site on which the project is located. Additionally, the Commission may certify a project only upon a finding that the project is reasonably likely to be in-service within three years of certification.

On June 22, 2015, the Legislature adopted P.L. 2015 ch. 232, An Act to Amend the Community-Based Renewable Energy Program (Amendment). The Amendment made several changes to the existing Community-based Renewable Energy Project, including requiring that the Commission conduct an expedited request for proposals (RFP) to select community-based renewable energy projects to become program participants and enter into long-term contracts.

On September 30, 2015, the Commission issued its 2015 RFP for community-based renewable energy projects. The Commission received bids from multiple entities. On December 22, 2015, the Commission directed Central Maine Power Company to enter into a long-term contract for the energy output of the GRE Project for a 20-year term at a price of \$0.099 per kWh. As a part of its RFP application, Georges River submitted information regarding its qualification as a community-based renewable energy project.

B. Certification

The GRE Project is a 7.5 MW net capacity, wood-fired biomass cogeneration system located at the Robbins Lumber sawmill in Searsmont. It will use a locally-sourced blend of bark, hog fuel, sawdust and wood chips as biomass fuel. The proposed plant will use fuel produced by the Robbins sawmill and pine pulpwood produced by logging contractors in Waldo and Knox County. Waste heat produced in the biomass plant would be used to dry lumber and heat the mill buildings.

The GRE Project is owned by Georges River Energy, LLC, a wholly owned subsidiary of Robbins Lumber, Inc., which is 100% owned by members of the Robbins family, all Maine residents. GRE has also provided documentation from Farm Credit East, ACA, showing that Robbins Lumber, Inc. has maintained a long-term banking relationship with Farm Credit East, ACA, is in good standing, and that Robbins Lumber has demonstrated the ability to successfully administer and manage large construction projects during its history.

GRE estimates that a net 7,500 kW (7.5 MW) will be sent to the power grid 8,000 hours per year, resulting in an estimated annual production of electricity of 60 million kWh. The GRE Project will interconnect with CMP's system on Ghent Road in Searsmont and the ISO-NE delivery node will be

Belfast 34.5 kV, p-node 4141. Commercial operations are expected by October 2018.

III. DECISION

The Commission has delegated to the Director of the Electric and Gas Utility Industries the authority to certify projects as community-based renewable energy projects pursuant to the provisions of Chapter 325, section 4(B) of the Commission rules. *Delegation Order*, Docket No. 2012-605 (Jan. 10, 2013).

Based on the information provided by GRE, the Project satisfies the requirements of a community-based renewable energy project pursuant to Chapter 325. The Project will be owned by Georges River Energy, LLC, a company owned by residents of Maine, all qualifying local owners. The Project is a biomass plant, which is defined as an eligible renewable resource under Chapter 325 and located at the Robbins Lumber sawmill in Searsmont, which is land owned by the owners of Georges River Energy, LLC. The nameplate capacity is less than 10 MW and the GRE Project is scheduled to begin commercial operations within three years of certification. Additionally, the Project has received a resolution of support passed by the Town of Searsmont, as required by Chapter 325, § 4(A)(2).

Accordingly, the 7.5 MW wood-fired biomass cogeneration system located at the Robbins Lumber sawmill in Searsmont, Maine is hereby certified as a Community-Based Renewable Energy Project pursuant to Chapter 325, § 4(B) of the Commission rules. GRE shall provide timely notice to the Commission of any material change in the ownership structure or operation of the GRE Project.

Dated at Hallowell, Maine, this 22nd day of September, 2016.

BY ORDER OF THE DIRECTOR OF THE ELECTRIC AND GAS UTILITY
INDUSTRIES



Faith Huntington